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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEB 7 1997

Policy and Rules Concerning the )  
Interstate, Interexchange )  
Marketplace )  
Implementation of Section 254(g) )  
of the Communications Act of )  
1934, as amended )

CC Docket No. 96-61

**AT&T CORP. REPLY TO COMMENTS ON PETITIONS  
FOR RECONSIDERATION AND CLARIFICATION**

Pursuant to Section 1.429 of the Commission's Rules, AT&T Corp. ("AT&T") replies to the comments on the petitions for reconsideration filed by AT&T and other parties regarding the Commission's Detariffing Order.<sup>1</sup> As shown below, all of AT&T's reconsideration proposals were unopposed and should be adopted.

<sup>1</sup> Comments were filed by ABC, Inc., CBS, Inc., National Broadcasting Company, Inc. and Turner Broadcasting, Inc. ("Networks"); Ad Hoc Telecommunications Users Committee, the California Bankers Clearing House Association, the New York Clearing House Association, ABA Business Services, Inc. and the Prudential Insurance Company of America ("Ad Hoc"); the State of Alaska ("Alaska"); American Petroleum Institute ("API"); Bell Atlantic; Competitive Telecommunications Association ("CompTel"); SBC Communications, Inc. ("SBC"); Sprint Corporation ("Sprint"); and U S WEST, Inc.

# I. Tariffs for Casual Calling Services and New Customers

No commenter opposes -- and several strongly support -- AT&T's request that the Commission permit carriers to file tariffs that cover "casual" calling services used by non-presubscribed customers and customers at public telephones and tariffs that cover the initial period (up to 45 days) of the relationship between carriers and new customers.<sup>2</sup> CompTel, which with several other commenters supports the replacement of mandatory detariffing with a permissive detariffing regime,<sup>3</sup> describes AT&T's proposals as "the bare minimum necessary to address the most excessive burdens imposed on carriers by the mandatory detariffing policy."<sup>4</sup> Moreover, CompTel (id.) notes that the proposed changes will enable carriers "to initiate and provide service more quickly," and thus will benefit customers.

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<sup>2</sup> Such "initial period" tariffs could provide that, after 45 days, or when the customer and carrier have consummated a detariffed contractual relationship (whichever occurs first), the tariff shall cease to have any prospective effect or application to that customer.

<sup>3</sup> CompTel, p. 2; U S West, p. 5. See also SBC, p. 4 (prohibiting carriers to file tariffs in these circumstances "is not in the best interest of the industry" and "could preclude casual calling altogether").

<sup>4</sup> CompTel, p. 9.

Sprint (pp. 3-5) agrees that AT&T's proposed modifications are necessary in order to avoid at least some of the deleterious effects of the mandatory detariffing rule. In particular, Sprint cites significant impacts on carriers' ability to offer 10XXX calls, which are especially important to customers in emergency situations. Sprint also shows that the inability to file tariffs affects collect calling services, because the called party may not be willing to provide a credit card number to a carrier with which it does not have an existing relationship.

Sprint (p. 6) further explains why tariffs are necessary during the initial stages of the relationship between carriers and new customers. There is often a time lag between a customer's selection of a presubscribed carrier and the time when a LEC notifies the IXC of the customer's choice. Tariffs are required in such cases to assure that the terms of the selected carrier's service offerings are clear and enforceable by both parties.<sup>5</sup>

## II. There Should be One Set of Rules for the Tariffing of Integrated Service Packages.

Although the commenters disagree on the appropriate mechanism, there is unanimous support for AT&T's request (pp. 13-17) that the domestic and international

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<sup>5</sup> See also Networks, p. 5 (not opposing permissive tariffing for residential customers and casual calling).

portions of unified services packages be regulated in a consistent manner under the detariffing rules.<sup>6</sup> Especially in light of the fact that all of the customer commenters regard the marketplace for such integrated offers as highly competitive,<sup>7</sup> there is no reason for the Commission to require that integrated service offers be covered in two different types of arrangements.

### III. Federal Law Applies to Interstate Service Offers

Sprint (pp. 6) supports AT&T request for clarification that IXCs' interstate services are governed by federal, not state, law. As Sprint states (p. 7), this clarification is needed to prevent unnecessary litigation and the possibility that identical services provided by the same carrier could be governed by inconsistent laws.<sup>8</sup>

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<sup>6</sup> Networks, p. 5; Ad Hoc, p. 4; API, p. 4; CompTel. p, 9. Sprint (n.1) expressly opposes the detariffing of international portions of integrated offers, but it does not object to AT&T's proposal to permit carriers to file tariffs for entire integrated offers during the nine-month transition period to detariffing.

<sup>7</sup> E.g., Networks, p. 5; Ad Hoc, p. 4; API, p. 6.

<sup>8</sup> AT&T also supports the requests that the Commission clarify that the detariffing rules apply to all IXCs' services, including services that are used to provide interstate access (see, e.g., API, pp. 8-9; AT&T, n.12). The Detariffing Order provides no basis for differentiating among IXC services, and there is no basis to treat one type of domestic service offered by non-dominant IXCs differently from another.

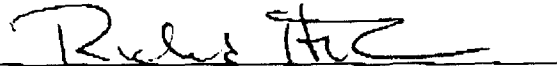
Conclusion

For the reasons stated above and in AT&T's petition for reconsideration, the Commission should reconsider the Detariffing Order and (1) permit carriers to file tariffs for casual calling services and for up to the initial 45 days of service provided to new customers; (2) assure that both the domestic and international portions of integrated service packages are subject to the same tariffing rules; and (3) clarify that the Communications Act continues to be the source of the substantive law governing the rates, terms and conditions of interexchange carriers' interstate services.

Respectfully submitted,

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By



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February 7, 1997

CERTIFICATE OF SERVICE

I, Rena Martens, do hereby certify that on this 7th day of February, 1997, a copy of the foregoing "AT&T Corp. Reply to Comments on Petitions for Reconsideration and Clarification" was mailed by U.S. first class mail, postage prepaid, to the parties on the attached Service List.

  
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